

12-305. MOTOR VEHICLE LIABILITY INSURANCE — MANDATORY SETTLEMENT OF PROPERTY DAMAGE CLAIM.

(A) PENDING BODILY INJURY CLAIM.

A CLAIM FOR DAMAGE TO PROPERTY RESULTING FROM A MOTOR VEHICLE ACCIDENT MAY NOT BE DENIED OR PAYMENT OF THE CLAIM DELAYED BECAUSE THE CLAIMANT, OR ANOTHER PERSON, HAS A CLAIM PENDING FOR BODILY INJURY THAT MAY HAVE ARISEN FROM THE SAME OR ANOTHER ACCIDENT.

(B) PROMPT PAYMENT OF PROPERTY DAMAGE CLAIM.

THE AMOUNT PAYABLE FOR A CLAIM FOR DAMAGE TO PROPERTY IS DUE AND OWING IMMEDIATELY AND SHALL BE PAID PROMPTLY BY AN INSURER OR BY A SELF-INSURER THAT IS APPROVED UNDER § 17-103(A) OF THE TRANSPORTATION ARTICLE IF:

(1) THE INSURER OR SELF-INSURER HAS PROVIDED THE COVERAGE FOR THE LIABLE PARTY; AND

(2) THERE IS NO SIGNIFICANT DISPUTE ABOUT:

(I) THE LIABILITY FOR THE PAYMENT OF THE FULL PROPERTY DAMAGES; OR

(II) THE MONETARY AMOUNT OF THOSE DAMAGES, INCLUDING:

1. IF CLAIMED, AN AMOUNT FOR THE LOSS OF THE USE OF THE MOTOR VEHICLE; AND

2. THE COST OF OBTAINING AN ESTIMATE OF REPAIRS.

REVISOR'S NOTE: This section is new language derived without substantive change from the first and second sentences of former Art. 48A, § 384B.

In subsection (a) of this section, the reference to the "claimant" is substituted for the former reference to the "person who is entitled to payment" for clarity.

In subsection (b) of this section, the reference to "§ 17-103(a) of the Transportation Article" is substituted for the former erroneous reference to "§ 17-103(a)(2)".

Defined terms: "Insurer" § 1-101

"Person" § 1-101

12-306. SAME — EFFECT OF SETTLEMENT OF PROPERTY DAMAGE CLAIM.

A SETTLEMENT MADE BY AN INSURER OR A SELF-INSURER APPROVED UNDER § 17-103(A) OF THE TRANSPORTATION ARTICLE UNDER A MOTOR VEHICLE LIABILITY INSURANCE POLICY OF A CLAIM ARISING FROM AN ACCIDENT OR OTHER EVENT FOR DAMAGE TO OR DESTRUCTION OF PROPERTY OWNED BY ANOTHER PERSON: